GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:3776
ANSWERED ON:08.08.2002
PROCUREMENT OF HELICOPTER
VSM (RETD.) COL. CHOUDHARY

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government have concluded any contract with a foreign manufacturer at a total cost of Rs. 894.82 crores for acquisition of nine special purpose helicopters;

(b) if so, details thereof;

(c) whether the Government have concluded the contract without finalising the qualitative requirements;

(d) whether these helicopters have not even entered into the production phase in the manufacturer`s country;

(e) if so, the reasons for concluded contract without evaluation and seeing the performance/worthiness of vital system of these helicopters;

(f) whether these helicopters are still unproved and the quoted price for higher than the cost estimated by Navy; and

(g) if so, the officials responsible for negotiating and concluding this contract causing huge financial loss to the exchequer?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) to (g): The Government have signed two contracts with a Russian firm for the acquisition of 9 (nine) special purpose helicopters to equip the Navy with the Airborne Early Warning (AEW) capability.These helicopters were evaluated by a Naval Team in 1996 and were found to meet the Naval Staff Qualitative Requirements (NSQRs).

The price and other terms and conditions were negotiated by the duly constituted Price Negotiation Committees (PNCs) before the contracts were signed.